

# *Healthy People, Healthy Businesses*

Improving Physical Health to  
Achieve Fiscal Health



# Hand-Wringing Over Health Care Costs

***"It threatens our ability to compete,"  
says General Motors.***

**--Detroit Free Press, 12/20/2004**

***"The solution to expanding health care costs probably will be found if  
industry, government and healthcare organizations work together",  
said David Cole, chairman of the Center for Automotive Research.***

**--Lansing State Journal, 10/10/2004**

# National Health Care Costs

- In 1980, the nation's health care costs totaled \$245 billion—an average of \$1,066 for each American during that year (1)
- In 2001, the total health care cost was an astounding \$1.5 trillion. (1)
- Preventable Lifestyle related illness accounts for 75% of the \$1.5 Trillion in medical-care costs (2).

# Healthcare Costs in Michigan

## Altarum Report: Major Findings

- **Michigan's high rate of obesity, smoking, coronary heart disease death, and diabetes are increasing healthcare costs and premiums**
- Michigan's per capita use of prescription drugs is high
- Michigan employees are likely to choose family coverage
- Michigan employers pay a greater share of the premium/cost of health insurance (especially for families)

# Healthcare Costs in Michigan

## Altarum Report: Recommendations

- ★ **Expand current state efforts to encourage healthy tobacco-free lifestyles, prevent disease, and promote health**
- ★ Reform insurance industry structure to regulate the extent to which companies can vary premiums
- ★ Reduce prescription drug expenditures
- ★ Increase federal reimbursement for low-income populations

# Michigan's Annual Economic Burden from Unhealthy Lifestyles

**Cardiovascular Disease**

**\$13.7 billion<sup>1</sup>**

[www.michigan.gov/mdch](http://www.michigan.gov/mdch)

**Physical Inactivity**

**\$ 8.9 billion<sup>2</sup>**

[www.michiganfitness.org/publications](http://www.michiganfitness.org/publications)

**Obesity**

**\$ 2.9 billion<sup>3</sup>**

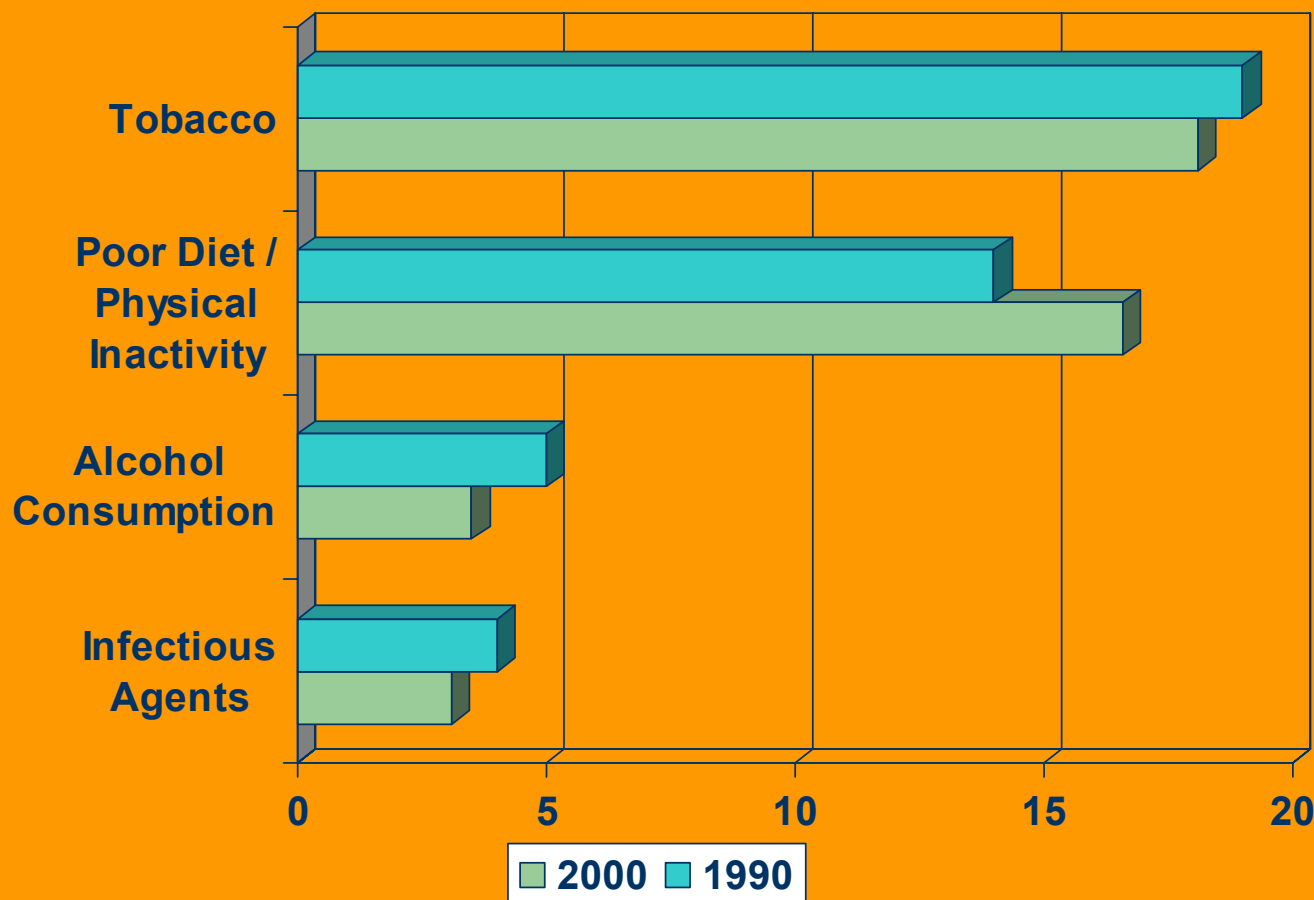
[www.obesityresearch.org](http://www.obesityresearch.org)

**Smoking**

**\$ 6.75 billion<sup>4</sup>**

1. American Heart Association. 2005 *Heart and Stroke Statistical Update*, January 2005 (Costs estimated from AHA 2005 reported costs using MI percent of U.S. population)
2. Chenoweth, David PhD, Dejong, Glenna, Sheppard, Lorinda PhD, Lieber, Marilyn. “*The Economic Cost of Physical Inactivity in Michigan*”. [Governors Council on Physical Fitness, Health, and Sport](#).
3. Finkelstein, Eric. Fiebelkorn, Ian. Wang, Guijing. *State Level Estimates of Annual Medical Expenditures Attributable to Obesity*. [Obesity Research Vol. 12 No.1 January 2004](#)
4. Centers for Disease Control and Prevention. *Tobacco Control State Highlights 2004 : Impact and Opportunity*.

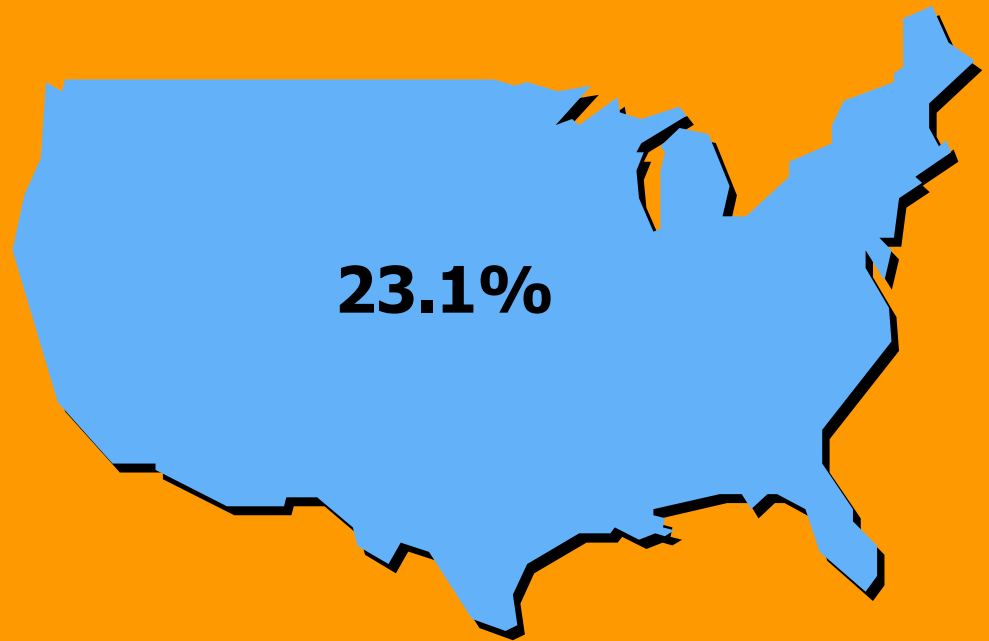
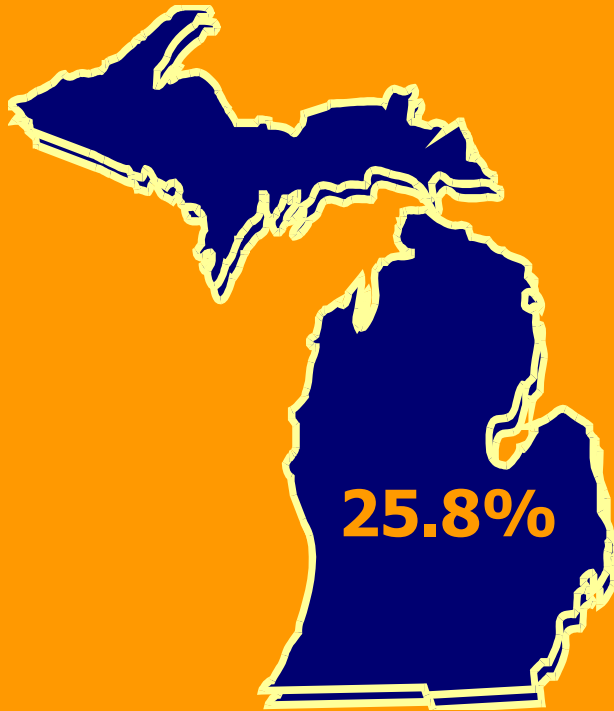
## Top Four Actual Causes of Death: 1990 and 2000



JAMA 1993 & 2004

# Tobacco Use

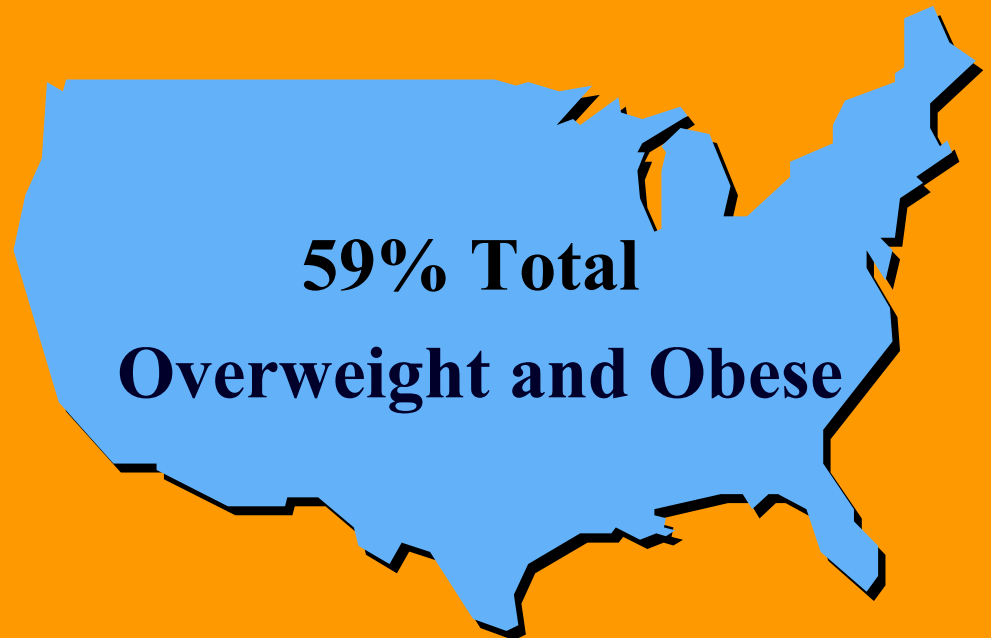
## Michigan vs. United States



Data from the 2003 MI Behavioral Risk Factor Surveillance Survey BRFSS



# Overweight and Obesity Michigan vs. United States

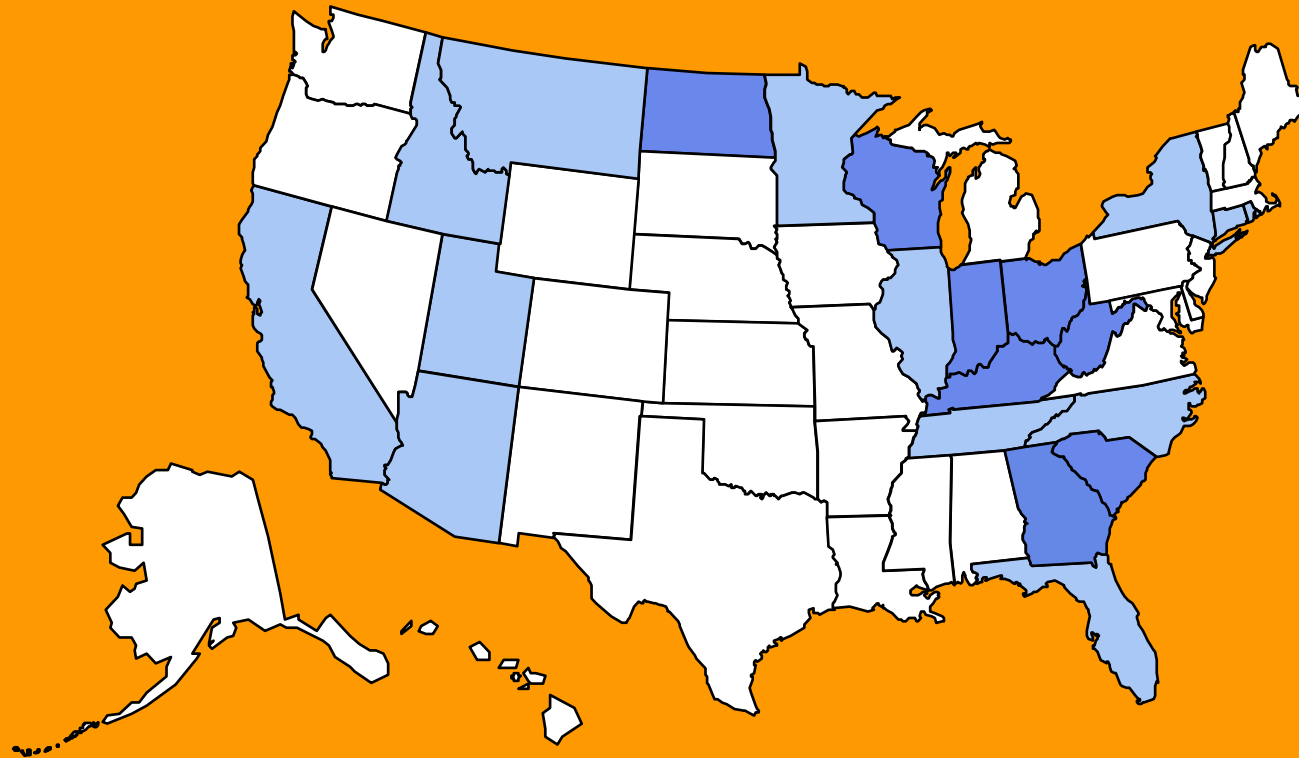


Data from the 2003 MI Behavioral Risk Factor Surveillance Survey (BRFSS) and US BRFSS

# Obesity Trends\* Among U.S. Adults

# BRFSS, 1985

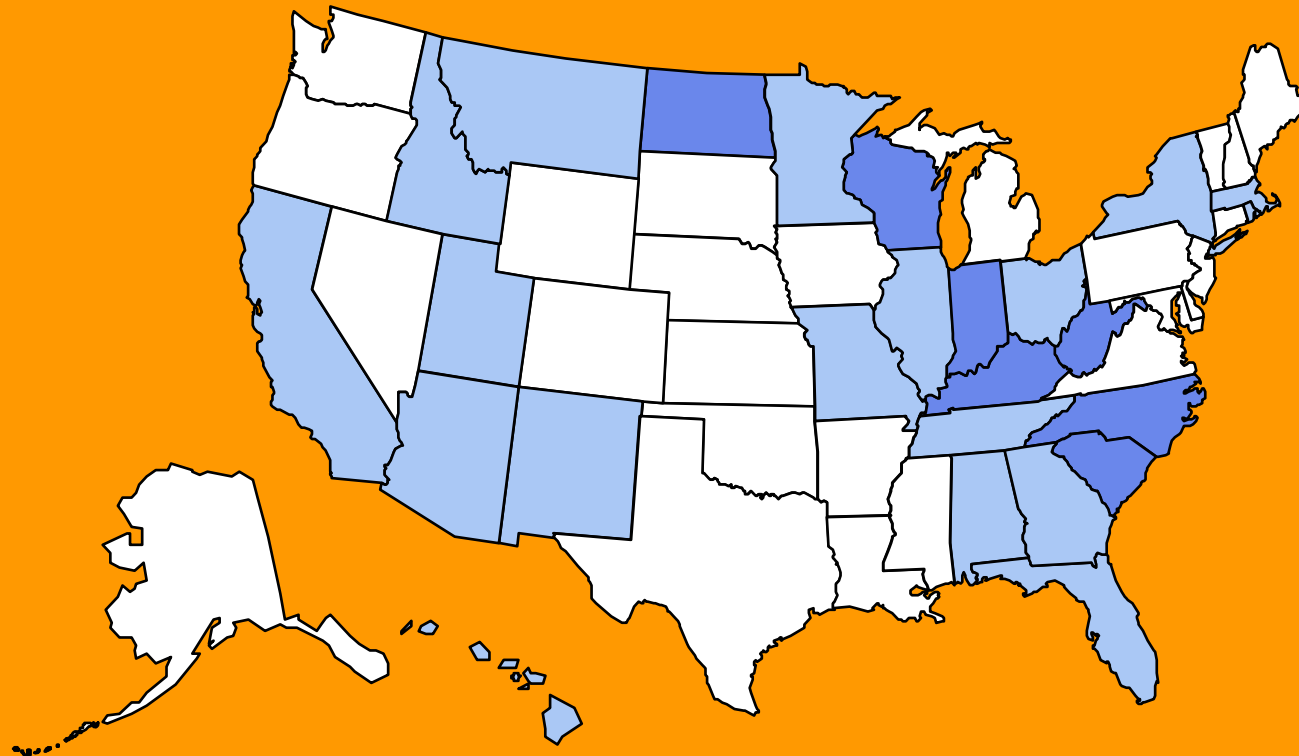
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

# BRFSS, 1986

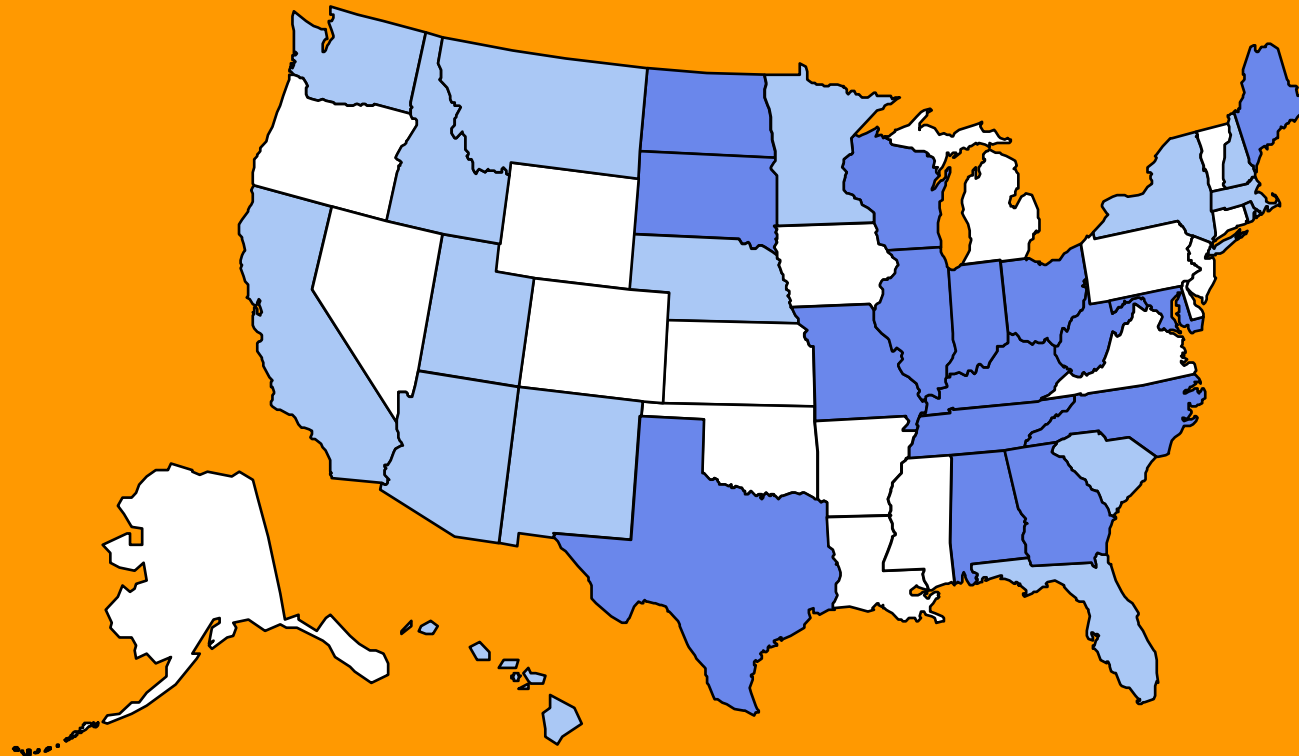
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

# BRFSS, 1987

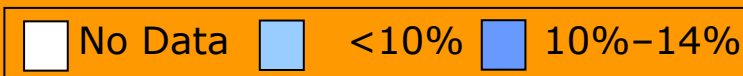
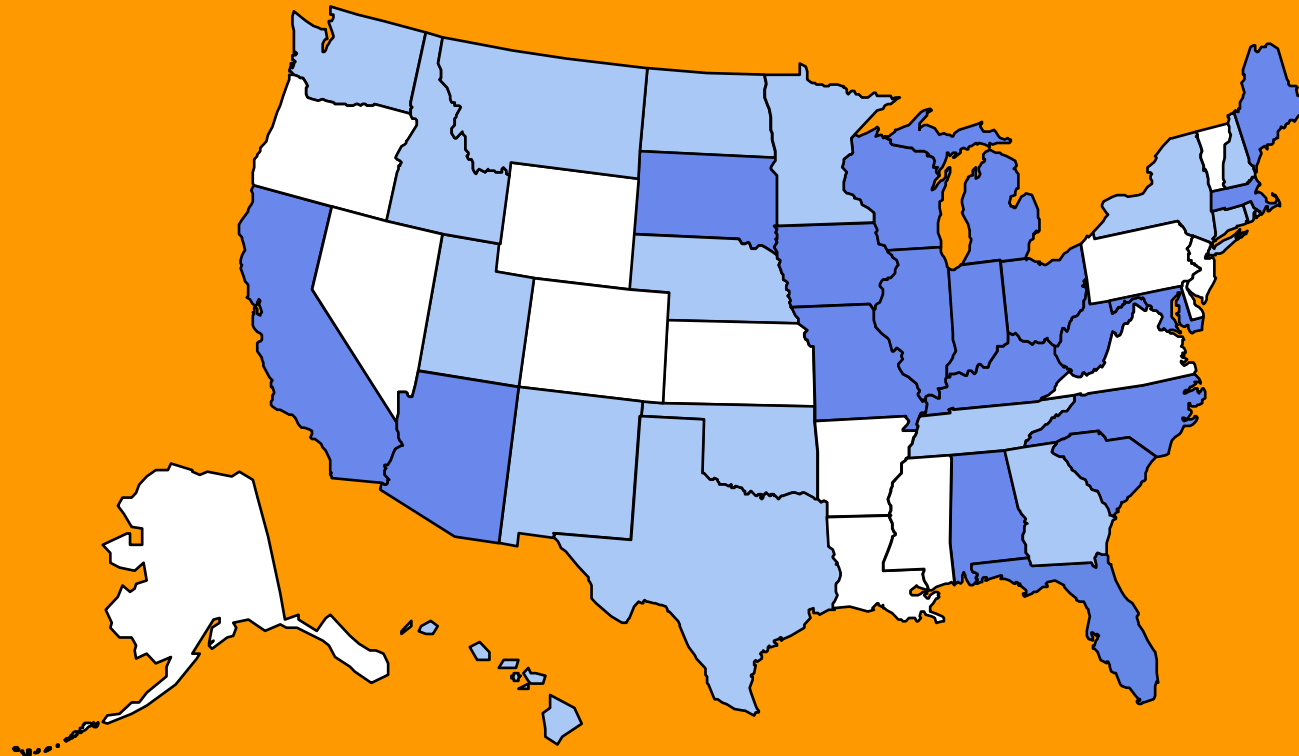
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

**BRFSS, 1988**

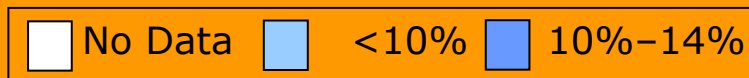
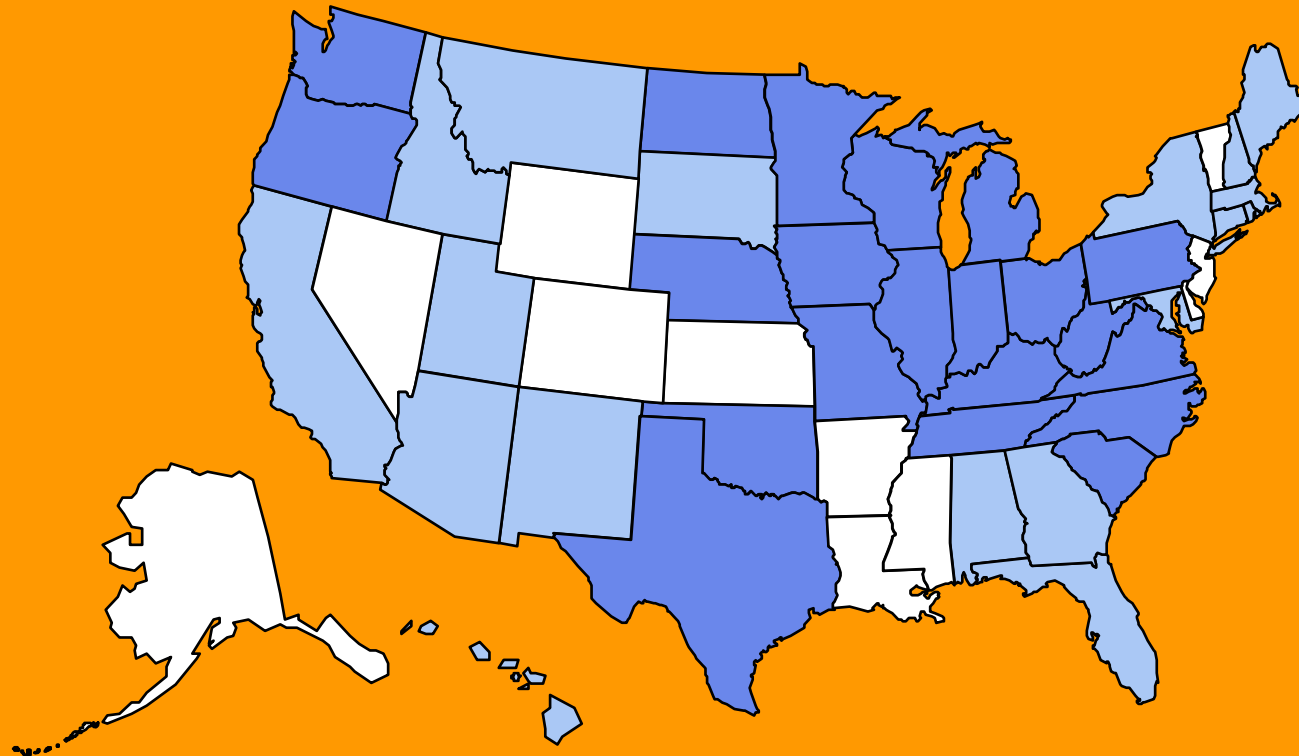
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# Obesity Trends\* Among U.S. Adults

# BRFSS, 1989

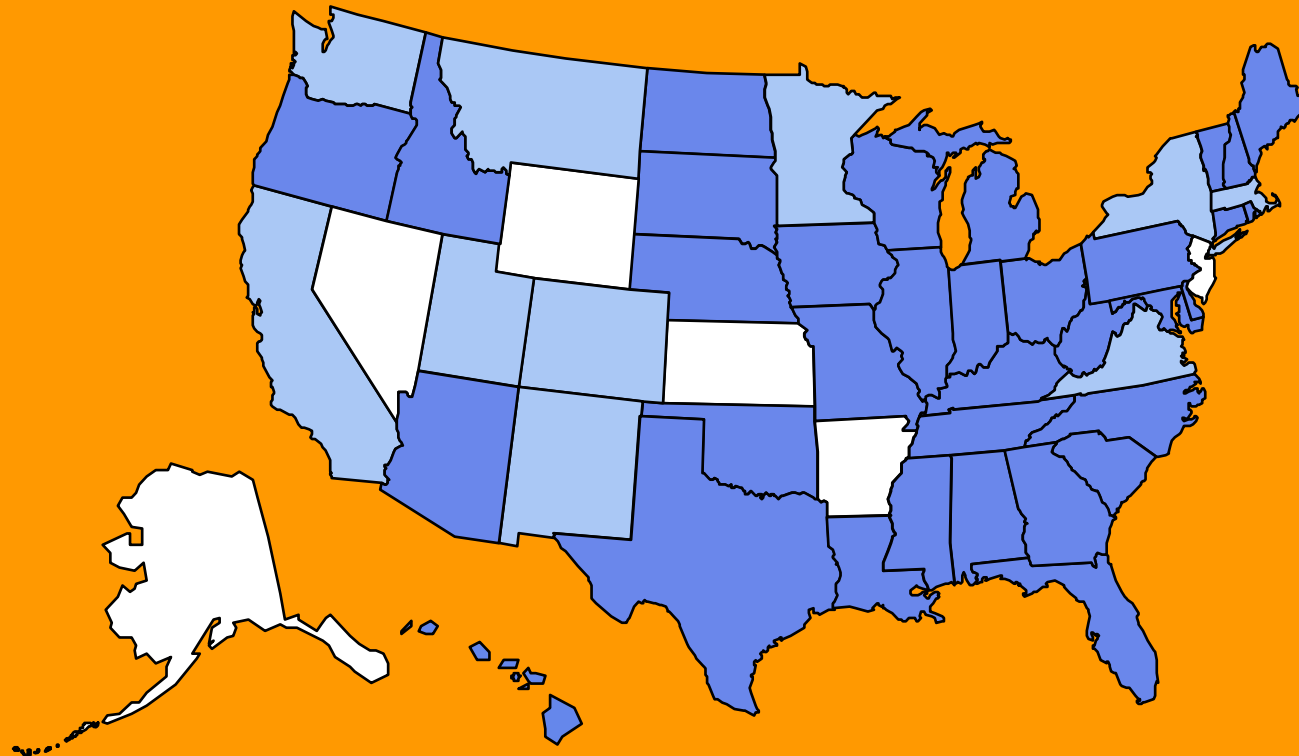
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# Obesity Trends\* Among U.S. Adults

**BREFFS, 1990**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

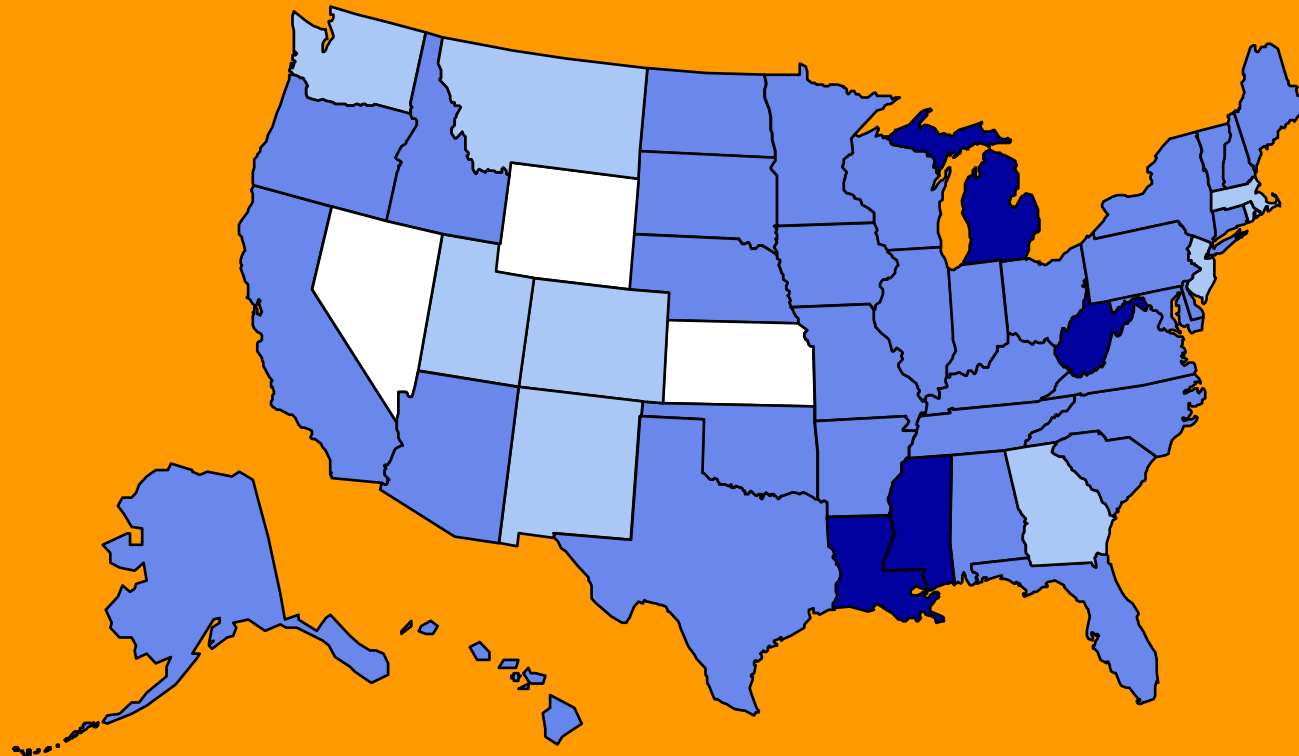


■ No Data   ■ <10%   ■ 10%-14%

# Obesity Trends\* Among U.S. Adults

**BREFFS, 1991**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



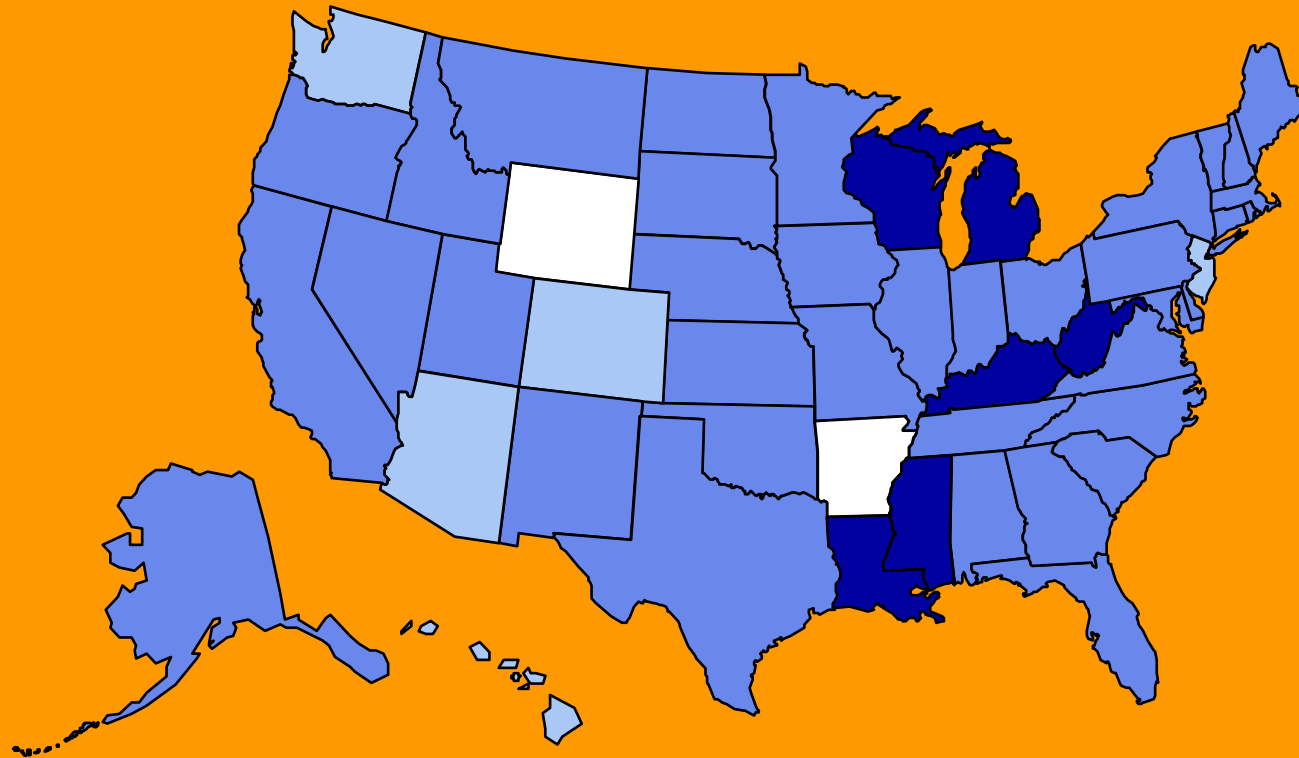
■ No Data ■ <10% ■ 10%-14% ■ 15%-19%



# Obesity Trends\* Among U.S. Adults

**BREFFS, 1992**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

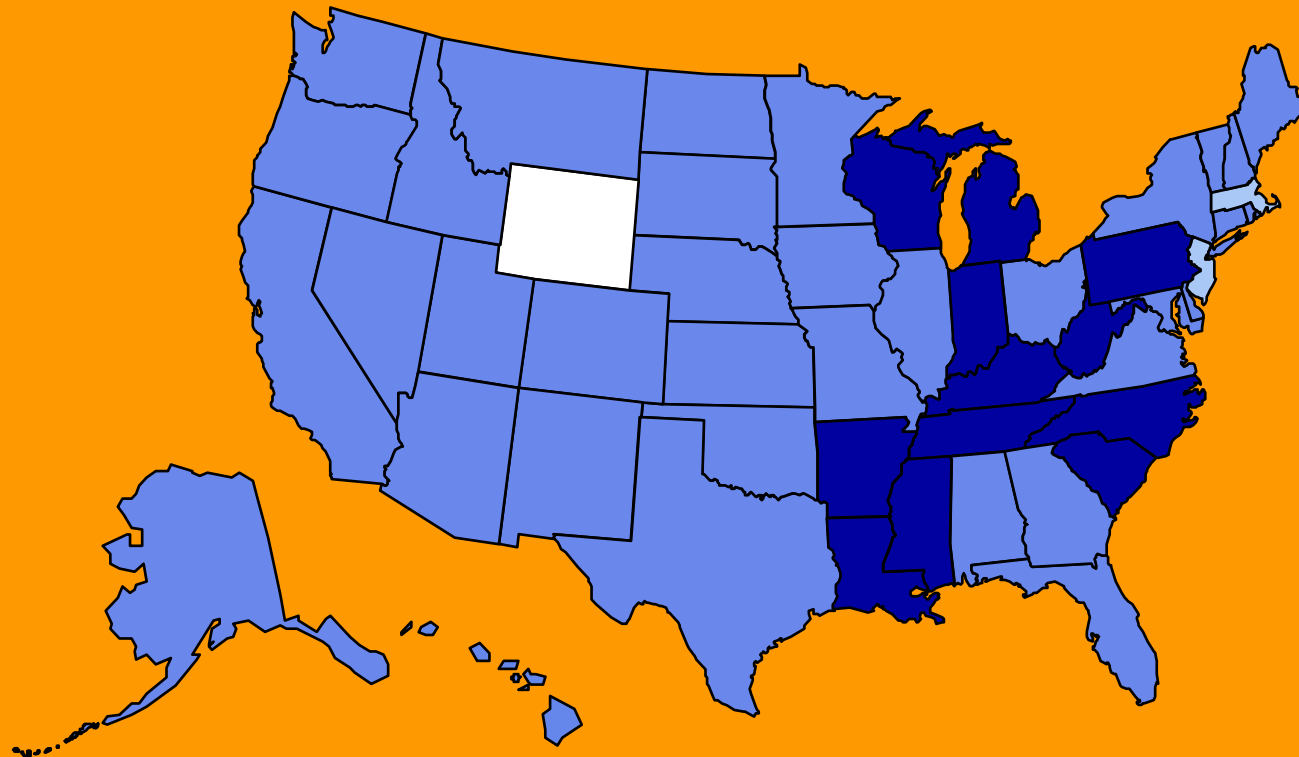


■ No Data ■ <10% ■ 10%-14% ■ 15%-19%

# Obesity Trends\* Among U.S. Adults

**BREFFS, 1993**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

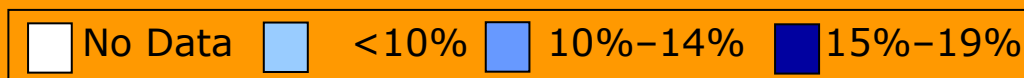
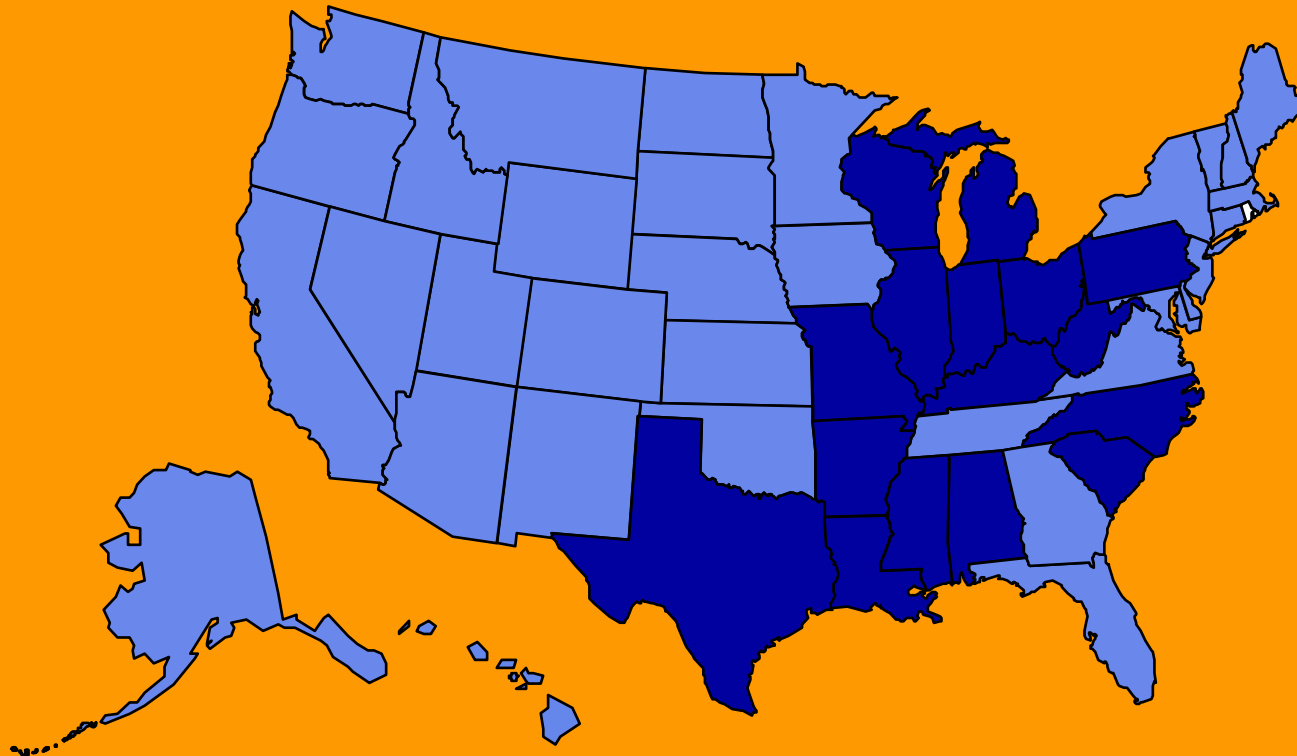


Legend:  No Data  <10%  10%-14%  15%-19%

# Obesity Trends\* Among U.S. Adults

# BRFSS, 1994

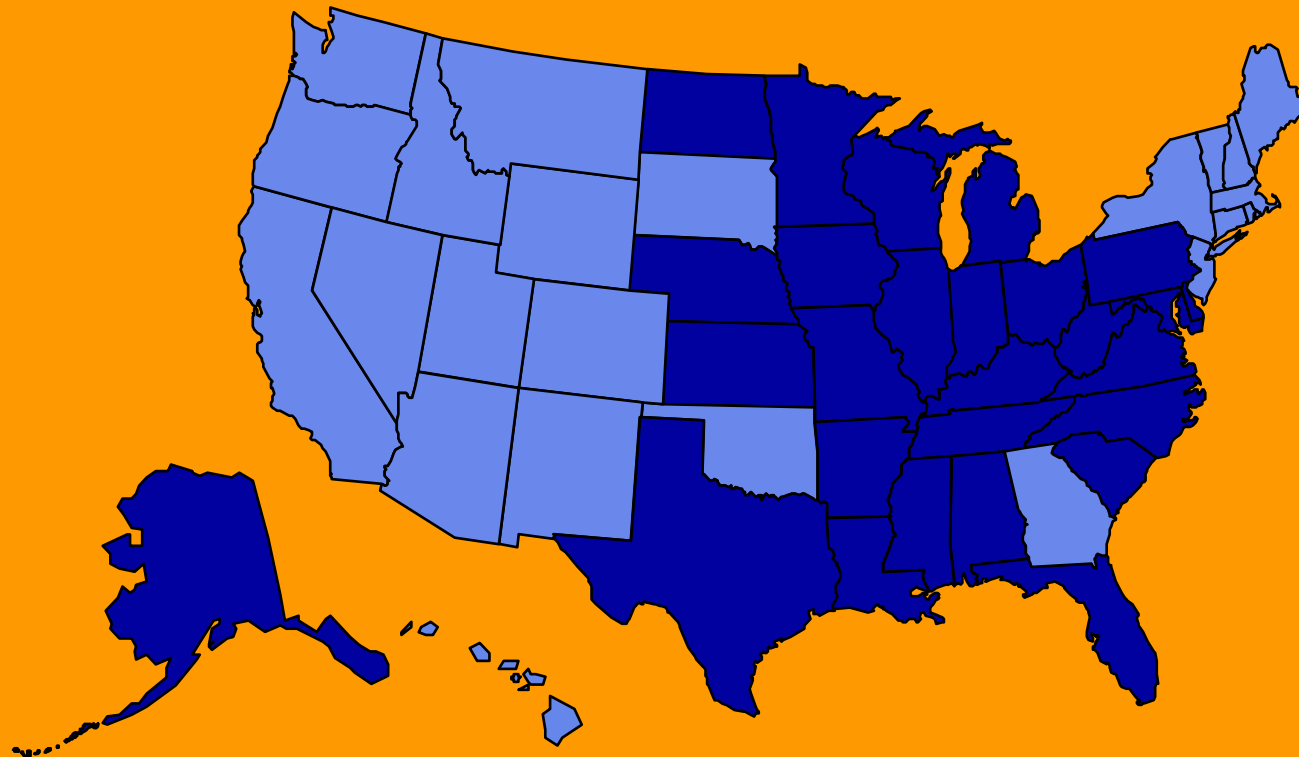
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

**BREFFS, 1995**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

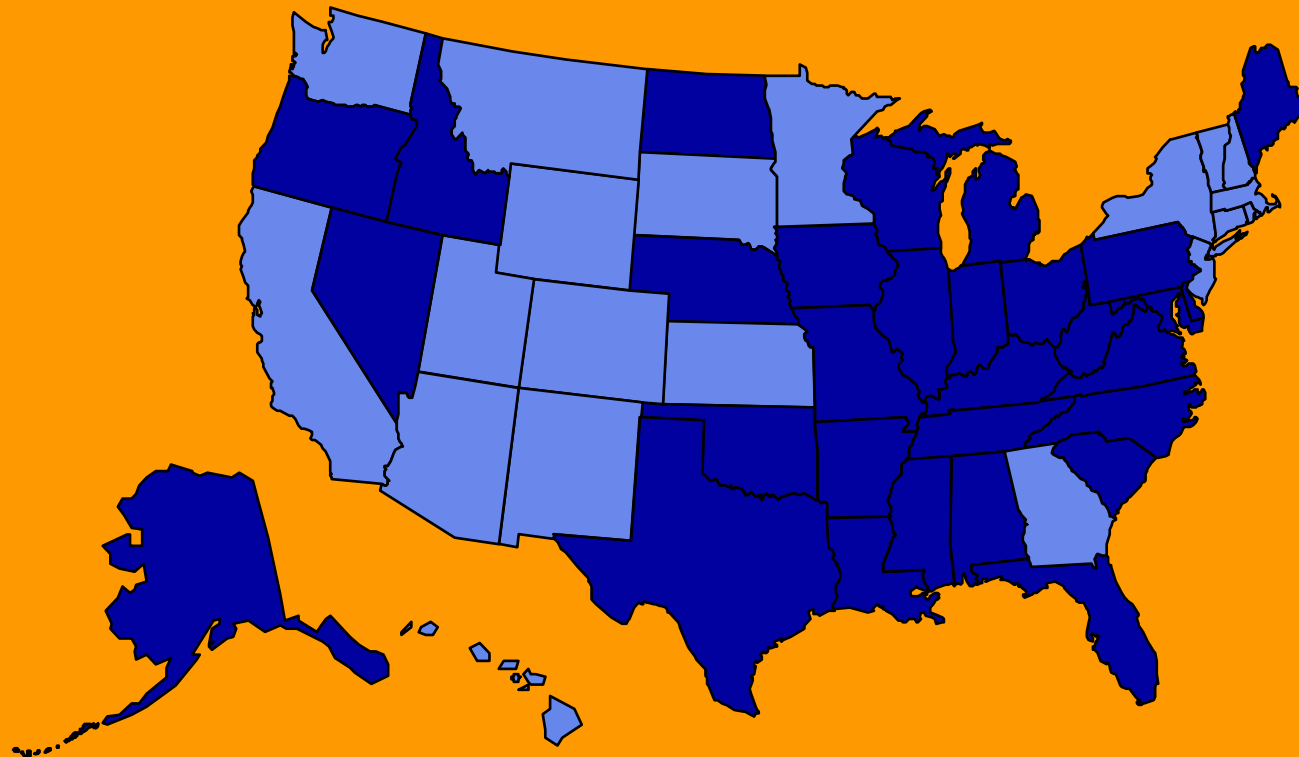


No Data   <10%   10%-14%   15%-19%

# Obesity Trends\* Among U.S. Adults

**BREFFS, 1996**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

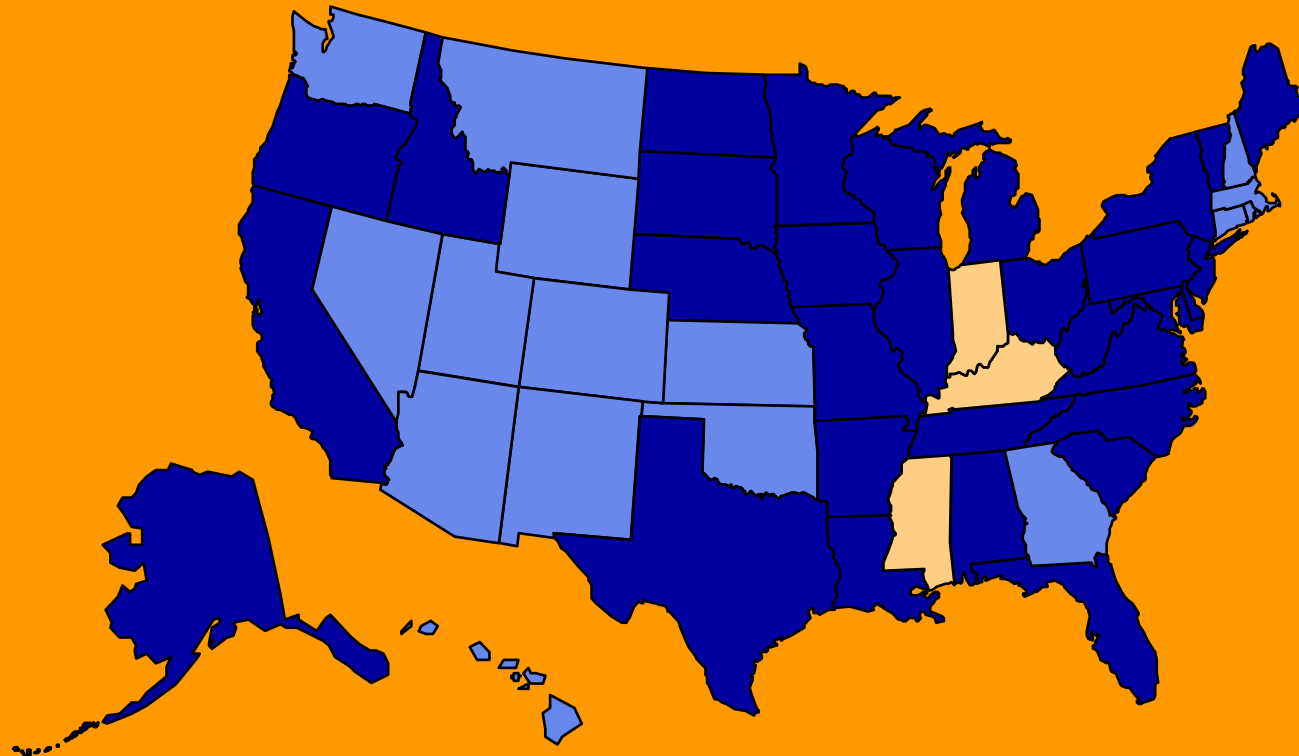


No Data   <10%   10%-14%   15%-19%

# Obesity Trends\* Among U.S. Adults

**BREFFS, 1997**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

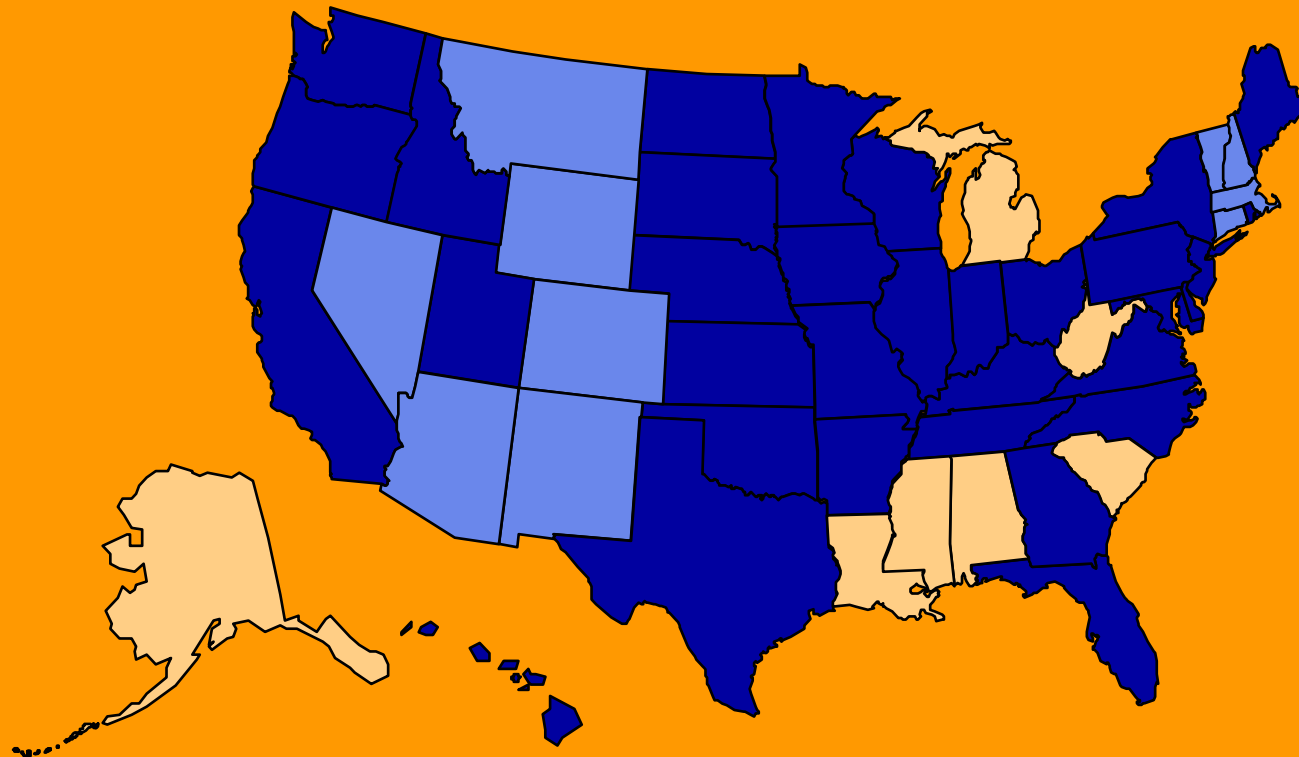


No Data   <10%   10%-14%   15%-19%    $\geq 20\%$

# Obesity Trends\* Among U.S. Adults

**BREFFS, 1998**

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

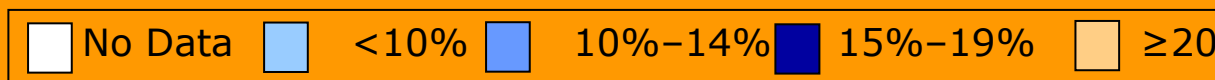
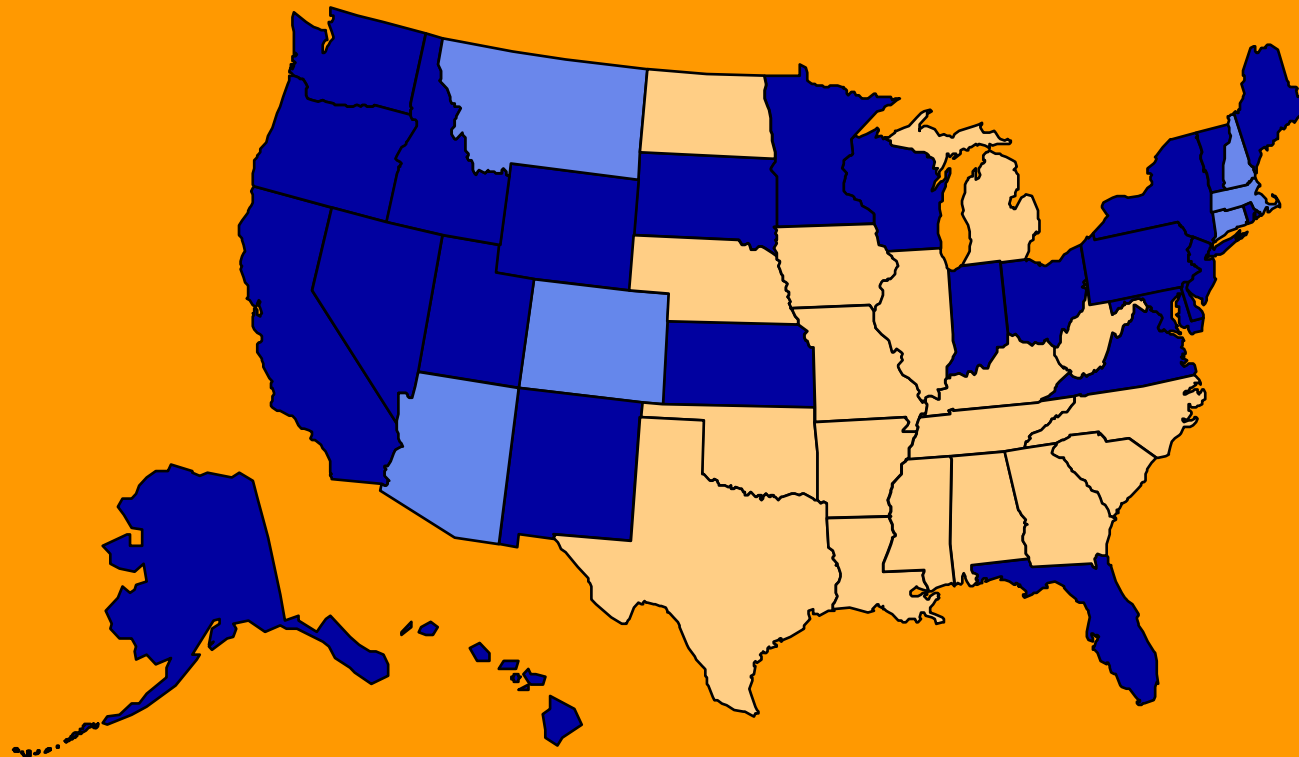


Legend: No Data, <10%, 10%-14%, 15%-19%,  $\geq 20$

# Obesity Trends\* Among U.S. Adults

# BRFSS, 1999

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)

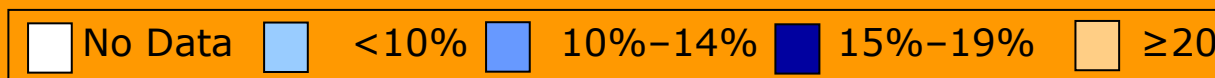
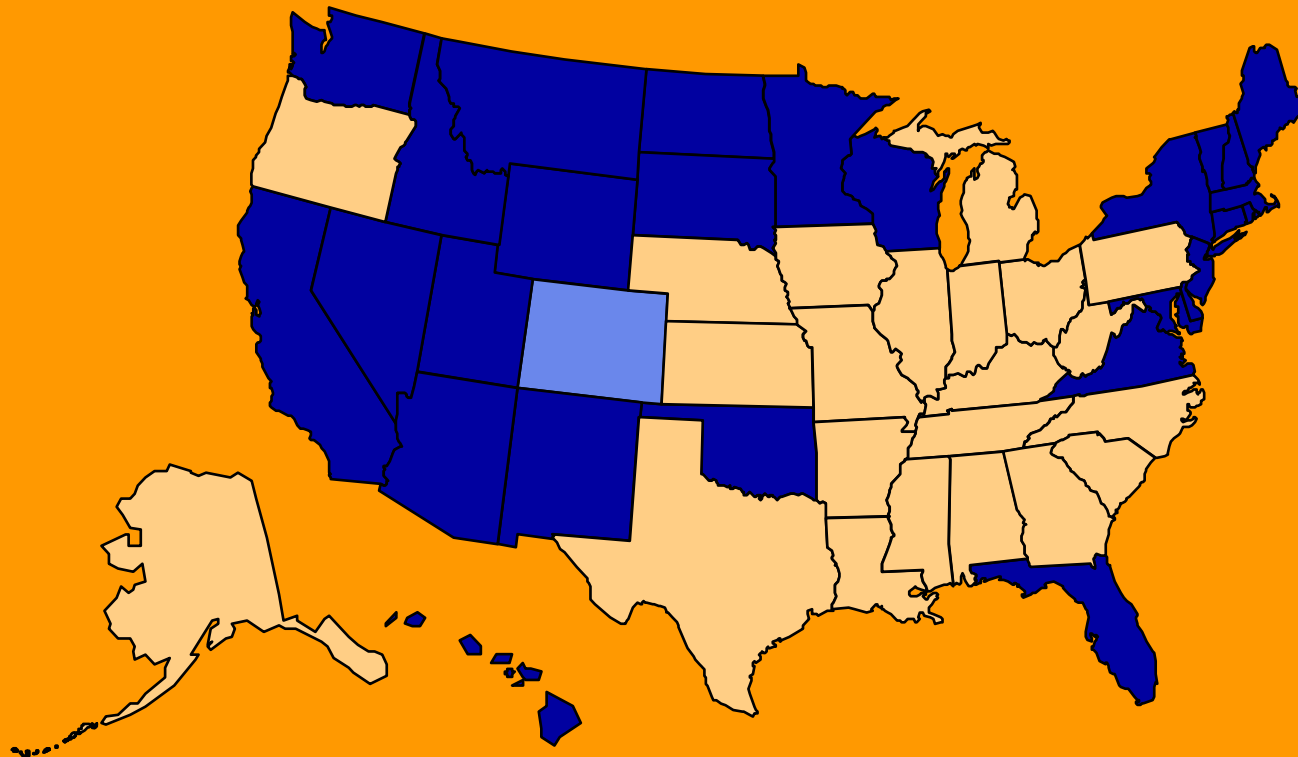




# Obesity Trends\* Among U.S. Adults

# BRFSS, 2000

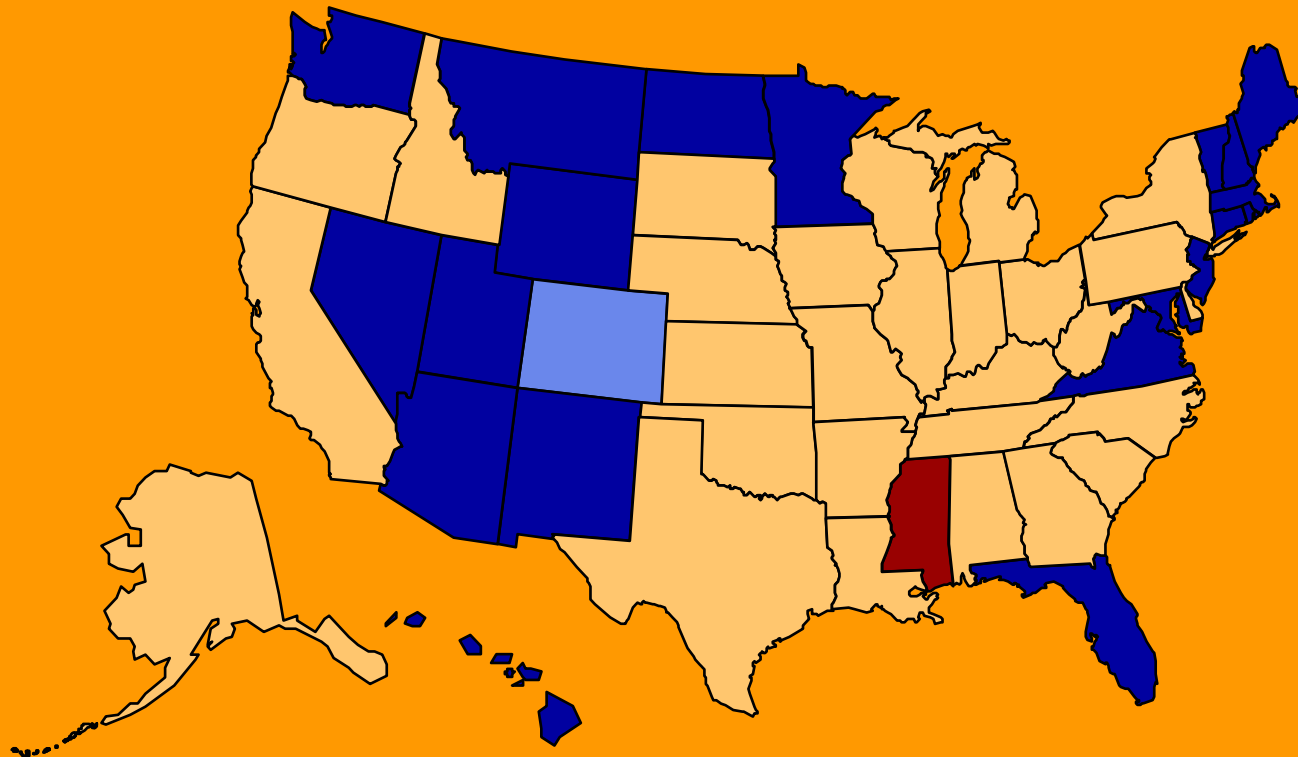
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

**BREFFS, 2001**

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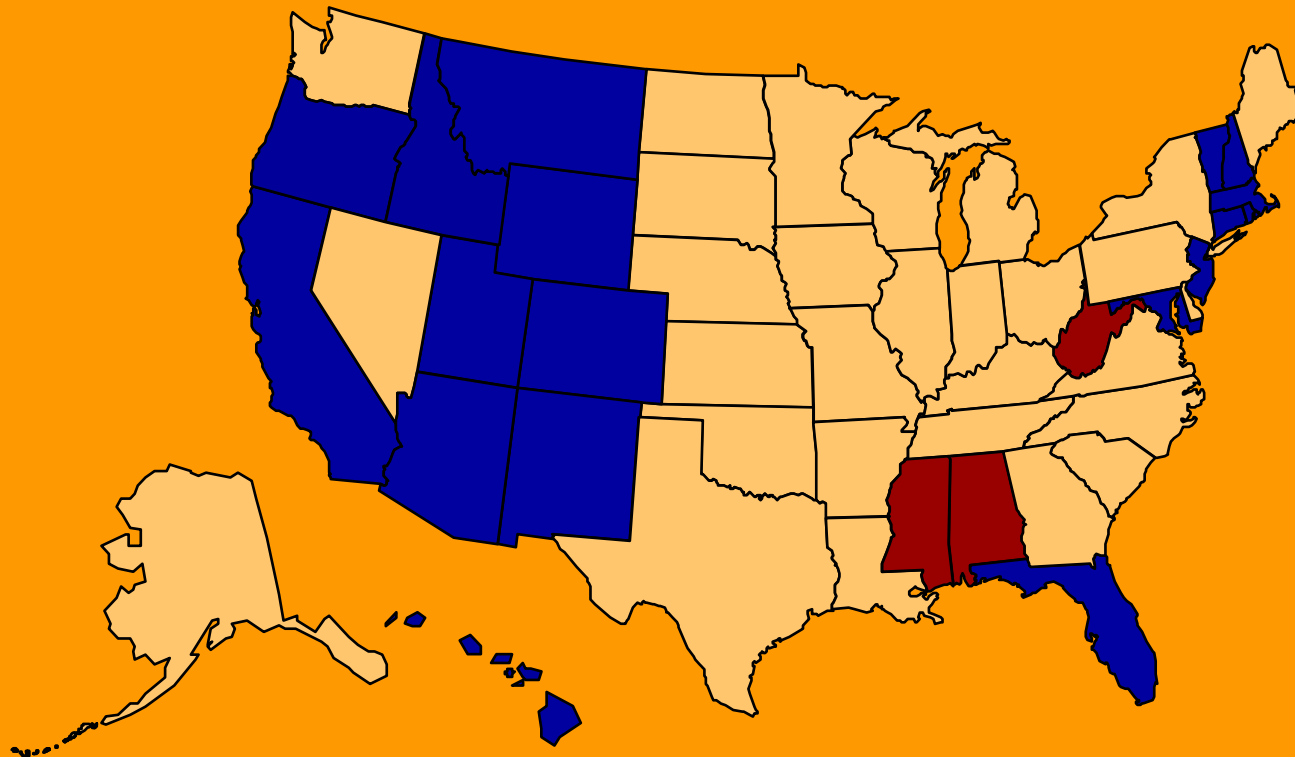


Legend: No Data, <10%, 10%-14%, 15%-19%, 20%-24%,  $\geq 25\%$

# Obesity Trends\* Among U.S. Adults

## BRFSS, 2002

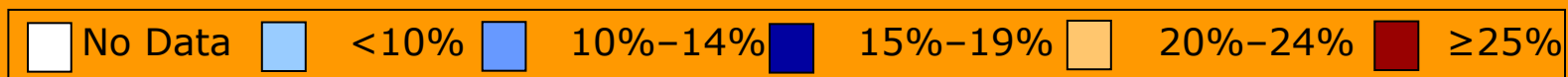
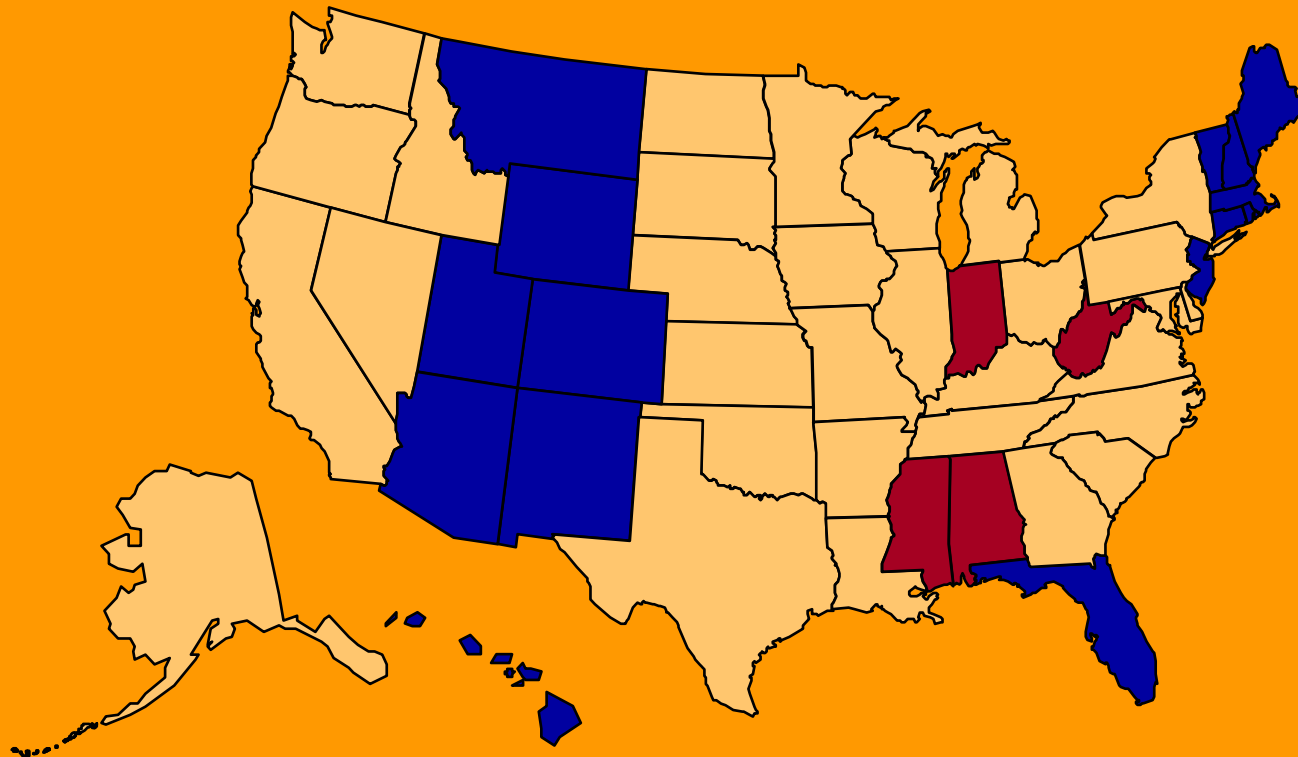
(\*BMI  $\geq 30$ , or ~ 30 lbs overweight for 5' 4" person)



# Obesity\* Trends Among U.S. Adults

# BRFSS, 2003

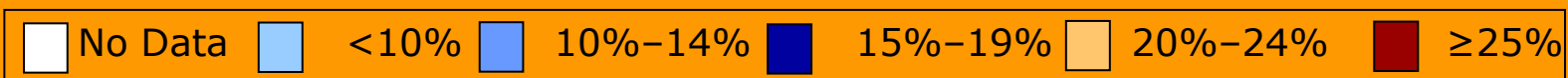
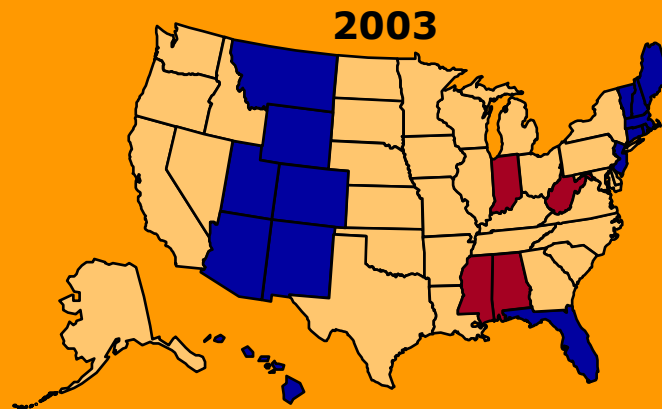
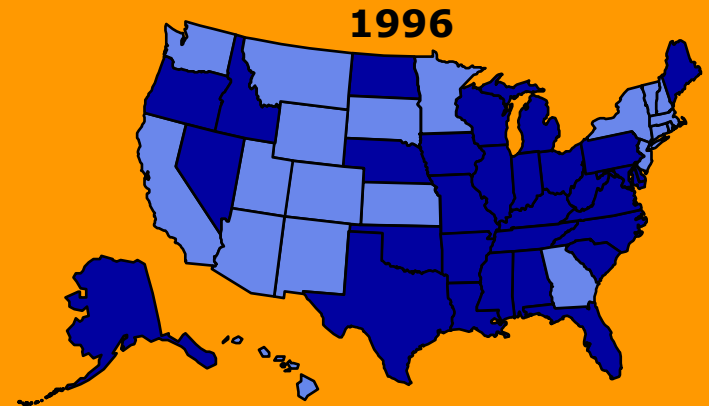
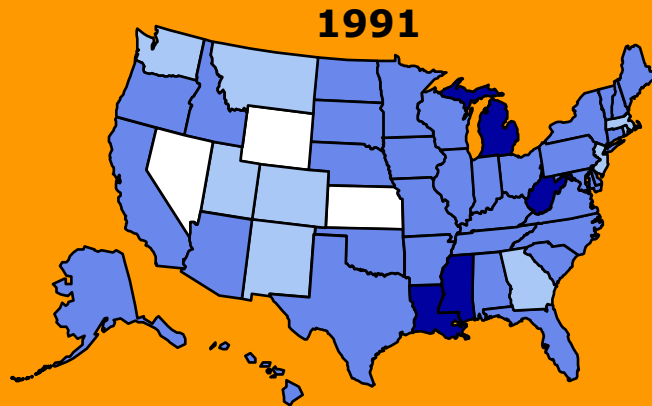
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" person)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 1991, 1996, 2003

(\*BMI  $\geq 30$ , or about 30 lbs overweight for 5'4" person)



*A significant proportion of diseases can be attributable to lifestyle habits and behaviors and are PREVENTABLE:*

- **90 percent of heart disease deaths**
- **37 percent of cancers**
- **50 percent of cerebrovascular disease**
- **34 percent of diabetes**

(JAMA 8/03)

# The Impact of Health on Michigan Businesses

“... companies may take one look at a locality with less than favorable health statistics and be scared off by the potential impact on their bottom line. Physical health and economic health go hand in hand.”

David Hollister, director  
Michigan Department of Labor and Economic Growth



# **For Every 100 Michigan Workers What Might We Expect?**

**77%** Do not eat 5 or more daily servings of fruits/vegetables

**62%** Are overweight or obese

**33%** Have high cholesterol

**27%** Have high blood pressure

**24%** Smoke

**24%** Do not have any leisure time physical activity

**8%** Have diabetes

Projected From MDCH BRFSS Data, 2001-2002





# Costs of Chronic Illnesses

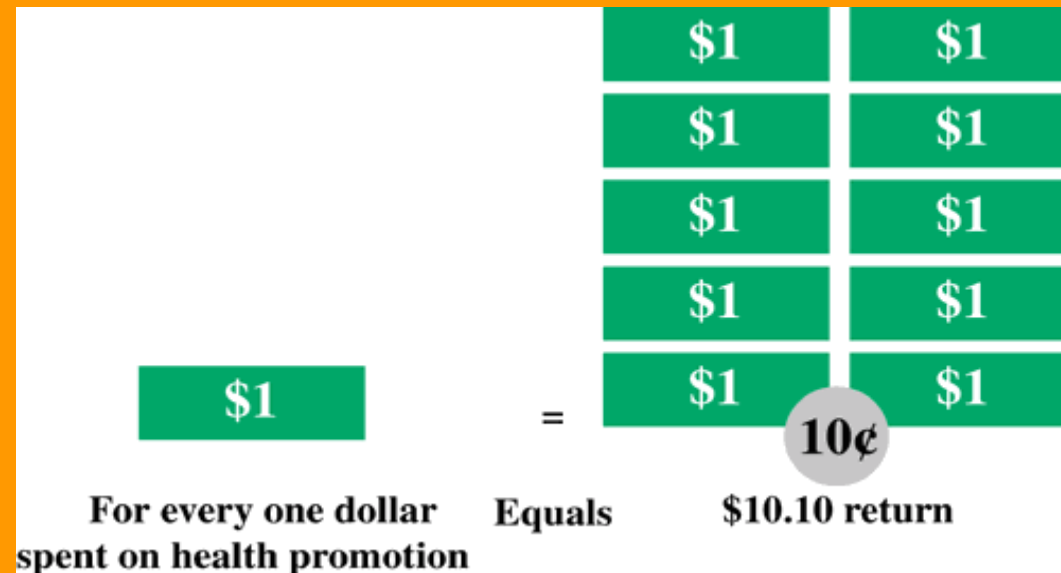
## General Electric



Behavior	Annual GE Costs (approx.)
<i>Smoking</i>	<i>\$100 million</i>
<i>Overweight / Obesity</i>	<i>\$125 million</i>
<i>Lack of Exercise</i>	<i>\$50million</i>

Healthy Behaviors Could Save >30% Total GE Costs

# Financial impact of health promotion



Aldana S. Financial impact of health promotion programs: A comprehensive review of the literature. American Journal of Health Promotion 2001 May/Jun (inpress); 15(5).

# **Prevention is Everyone's Business**

*“In survey after survey, our members complained that the high cost of health insurance was the greatest threat to their profitability and they wanted help.”*

**-- Michigan Chamber of Commerce**

# How do poor lifestyle choices Affect Your Business??

- **Maintenance Costs**
- **Lost Productivity**
- **Employee Absenteeism**
- **Disability from Disease**
- **Culture of Sickness**
- **Decrease Employee pool**
- **Increased Insurance Costs**

# Health and Productivity Management

- Absence
- Short term disability
- Worker compensation claim
- Presenteeism
- ROI for wellness programs

**Healthy Workplaces and Productivity: a Discussion Paper**

**Graham S. Lowe PhD, April 2003**

# Association of Risk Levels with Several Corporate Cost Measures

Outcome Measure	Low-Risk (N=671)	Medium-Risk (N=504)	High-Risk (N=396)	Excess Cost Percentage
Short-term Disability	\$120	\$216	\$333	41%
Worker's Compensation	\$228	\$244	\$496	24%
Absence	\$245	\$341	\$527	29%
Medical & Pharmacy	\$1,158	\$1,487	\$3,696	38%
Total	\$1,751	\$2,288	\$5,052	36%



Photo: [www.michigan.gov/gov](http://www.michigan.gov/gov) ( courtesy of Gary Shrewsbury)

**Governor  
Jennifer Granholm's  
State of the State Address  
January 27, 2004**

***Our Determination, Our  
Destination:  
A 21st Century Economy***

**Physical Health = Fiscal Health**

# The Surgeon General is Appointed



- Serve as Chief Public Health Advocate
- Address lifestyle diseases
- Policy & Environmental Support
- Build partnerships with Businesses





**Move More. Eat Less. Don't Smoke.**

# **Michigan Steps Up**

## **Goals:**

- **Build community capacity**
- **Share resources**
- **Reduce health risk factors**
- **Improve health outcomes**

## **Campaign Components:**

- **Website**
- **Media Campaign**
- **Healthy Lifestyle Challenges**
- **Stakeholder Groups**
- **Future Grant Funding**

# Michigan Steps Up

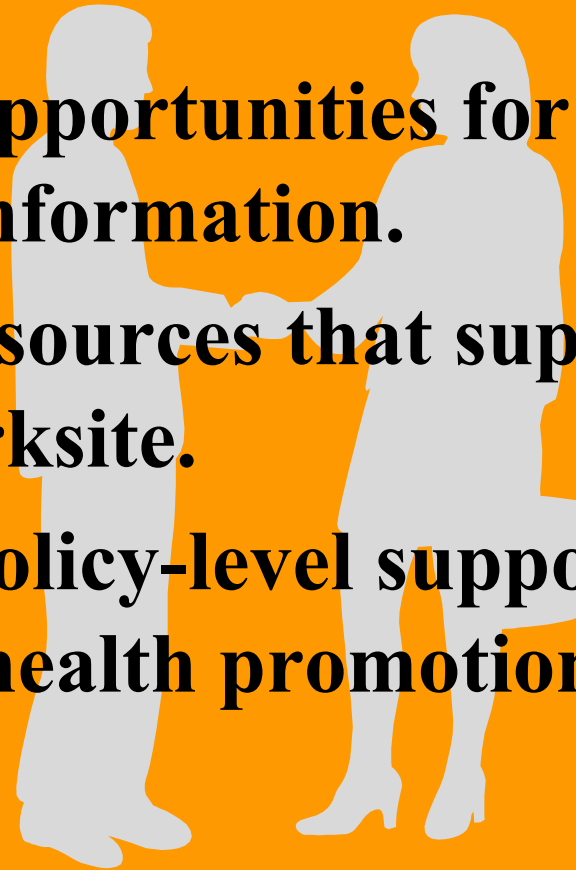
## Stakeholder Groups:

- **Business**
- **Schools**
- **Healthcare**
- **Faith-Based**
- **Community**



# **Call to Action-Businesses**

- **Develop opportunities for businesses to share information.**
- **Gather resources that support health at the worksite.**
- **Provide policy-level support of worksite health promotion programs.**



# How can *MI Steps Up* help my business?

- Reduce Maintenance Costs
- Increase Productivity
- Reduce Absenteeism
- Reduce Disability
- Decrease Health Insurance Costs
- Improve Employee Pool
- Create a Culture of Wellness

# No or Low Cost Strategies for Creating Healthy Environments

- Healthy Eating Options
  - vending machines, cafeterias, and in meetings
- Smoke Free Worksite Policy
- Allow for Activity Breaks
- Mgmt Support and Modeling of healthy behaviors
- Install Bike Racks or lockers
- Provide a Water Cooler
- Label Healthy Food Options

# More No or Low Cost Strategies.....

- Provide microwave, refrigerator, and clean and comfortable break room
- Encourage “active commuting”
- Consider walkable locations for new buildings
- Establish a worksite wellness committee
- Utilize the *Designing Healthy Environments at Work* (DHEW) Assessment tool
- Company Bike Loaner program
- Promote Stair Well Use

# How can my business become Involved?

Go to [www.michiganstepsup.org](http://www.michiganstepsup.org)

- Make a commitment to....
  - No and Low Cost Strategies
  - Create Healthy Work Environments
- Use MI Steps up Supporting Resources
  - *Designing Healthy Environments at Work* DHEW tool
  - On-line Health Risk Appraisal (HRA).
  - Worksite Wellness Chronicles
- Reap the Benefits!!!



# Conclusion

*“Physically active employees who eat healthy and don’t use tobacco products are employees who are at work more often, being more productive, making fewer claims on health insurance, and drive a healthy economy to attract and retain business in Michigan.”*